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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SAN FERNANDO VALLEY DIVISION**

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a California corporation,

Debtor and Debtor in Possession.

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a Nevada corporation,

Debtor and Debtor in Possession.

- ☒ Affects both Debtors
- ☐ Affects Ironclad Performance Wear Corporation, a California corporation only
- ☐ Affects Ironclad Performance Wear Corporation, a Nevada corporation only

Lead Case No.: 1:17-bk-12408-MB
Jointly administered with:
1:17-bk-12409-MB
Chapter 11 Cases

NOTICE REGARDING PROPOSED ORDER: (1) APPROVING SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES; (2) APPROVING THE DEBTORS' ASSUMPTION AND ASSIGNMENT OF CERTAIN UNEXPIRED LEASES AND EXECUTORY CONTRACTS AND DETERMINING CURE AMOUNTS AND APPROVING THE DEBTORS' REJECTION OF UNEXPIRED LEASES AND EXECUTORY CONTRACTS WHICH ARE NOT ASSUMED; (3) WAIVING THE 14-DAY STAY PERIODS SET FORTH IN BANKRUPTCY RULES 6004(h) AND 6006(d); AND (4) GRANTING RELATED RELIEF

DATE: November 3, 2017
TIME: 9:30 a.m.
PLACE: Courtroom "303"
21041 Burbank Blvd.
Woodland Hills, CA

1 **PLEASE TAKE NOTICE** that, attached hereto as Exhibit A is the proposed form of the
2 sale order (“Sale Order”) sought to be entered by Ironclad Performance Wear Corporation, a
3 California corporation, and Ironclad Performance Wear Corporation, a Nevada corporation, the
4 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned Chapter
5 11 bankruptcy cases (collectively, the “Bankruptcy Cases”), approving the Debtors’ motion (the
6 “Motion”) for approval of the sale of substantially all of their assets to Brighton-Best
7 International, Inc. (“BBI”), the winning bidder at the Auction which occurred on October 30,
8 2017 at 10:00 a.m. before the Court. All capitalized terms which are not defined in either the
9 Sale Order shall have the definitions set forth in the Motion. The attached proposed Sale Order
10 is being filed in advance of the continued hearing scheduled for November 3, 2017 at 9:30 a.m.
11 which was set by the Court as a holding date to review any issues pertaining to the Sale Order.
12

13
14 The attached Sale Order has been circulated to and reviewed by the Office of the United
15 States Trustee (“UST”), the Securities Exchange Commission, Radians Wareham Holding, Inc.
16 (the stalking horse buyer), BBI, Protective Industrial Products, Inc. (the backup bidder), the
17 Official Committee of Unsecured Creditors, and the Official Committee of Equity Holders. The
18 Debtors believe that, with the possible exception of the UST on the one issue that is described
19 below, and one issue that the backup bidder Protective Industrial Products, Inc. may have, all
20 other parties have approved the attached Sale Order. The parties are in the process of finalizing
21 the exhibits to the Sale Order, with the main exhibit being the final APA between the Debtors
22 and BBI.
23

24 On Wednesday, November 1, 2017, as Docket Number 167, the Debtors filed a
25 preliminary proposed form of Sale Order which was discussed at that hearing. Attached hereto
26 as Exhibit B is a redlined version of the Sale Order which shows the differences between the
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1 current filed version of the Sale Order (i.e., Exhibit A hereto) and the version that was filed on
2 November 1, 2017, as Docket Number 167.

3
4 As was discussed at the hearing on November 1, 2017, the Sale Order provides for the
5 Purchase Price to be deposited into a segregated trust account (the "Trust Account") maintained by
6 Levene, Neale, Bender, Yoo & Brill L.L.P. ("Escrow Agent"), which shall serve as the Escrow Agent
7 for the Transaction. The attached Sale Order also provides for the Trust Account to be maintained
8 by Escrow Agent at First Republic Bank unless otherwise ordered by the Court. The UST has raised
9 concerns whether the foregoing is consistent with section 345(b) of the Bankruptcy Code. On
10 November 2, 2017, the Escrow Agent obtained a letter from the Executive Vice President and Chief
11 Operating Officer from FRB (which letter has been provided to the UST and counsel to both the
12 Creditors' Committee and the Equity Committee) confirming that the chapter 11 client trust accounts
13 held by Escrow Agent at FRB have the following attributes:
14

- 15 - FRB will collateralize the accounts to 115% of the amount over the FDIC deposit
16 insurance limit of \$250,000;
- 17
18 - The collateral pledged will be Ginnie Mae securities which are acceptable collateral as
19 defined in 31 C.F.R Part 225;
- 20
21 - The bank accounts are interest bearing.

22 The Debtors submit that the foregoing is consistent with the specific provisions of Section 345
23 of the Bankruptcy Code but, if not, the Debtors urge the Court to order that cause exists (which is a
24 power provided to the Court by Section 345 of the Bankruptcy Code) to provide for the Purchase
25 Price to be deposited and maintained in the Trust Account and be distributed only upon further order
26 of the Court as all of the parties have agreed.
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28

1 Dated: November 3, 2017

IRONCLAD PERFORMANCE WEAR
CORPORATION, *et al.*

3 By: /s/ Ron Bender

RON BENDER

MONICA Y. KIM

KRIKOR J. MESHEFEJIAN

LEVENE, NEALE, BENDER,

YOO & BRILL L.L.P.

Attorneys for Chapter 11 Debtors and
Debtors in Possession

EXHIBIT A

RON BENDER (SBN 143364)
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- ☐ Affects Ironclad Performance Wear
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**ORDER: (1) APPROVING SALE OF
SUBSTANTIALLY ALL OF THE
DEBTORS' ASSETS FREE AND
CLEAR OF ALL ENCUMBRANCES; (2)
APPROVING THE DEBTORS'
ASSUMPTION AND ASSIGNMENT OF
CERTAIN UNEXPIRED LEASES AND
EXECUTORY CONTRACTS AND
DETERMINING CURE AMOUNTS
AND APPROVING THE DEBTORS'
REJECTION OF UNEXPIRED LEASES
AND EXECUTORY CONTRACTS
WHICH ARE NOT ASSUMED; (3)
WAIVING THE 14-DAY STAY
PERIODS SET FORTH IN
BANKRUPTCY RULES 6004(h) AND
6006(d); AND (4) GRANTING
RELATED RELIEF**

DATE: October 30, 2017
TIME: 10:00 a.m.
PLACE: Courtroom "303"
21041 Burbank Blvd.
Woodland Hills, CA

1 A hearing was held on October 30, 2017 (the “Sale Hearing”), for the Court to consider
2 approval of the motion (the “Motion”)¹ filed by Ironclad Performance Wear Corporation, a
3 California corporation, and Ironclad Performance Wear Corporation, a Nevada corporation, the
4 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned Chapter
5 11 bankruptcy cases (collectively, the “Bankruptcy Cases”), seeking an order of the Court (“Sale
6 Order”) approving the Debtors’ sale of substantially all of their assets to Radians Wareham
7 Holding, Inc. (“Radians”) in accordance with the terms of the APA (“Radians APA”) attached as
8 Exhibit “A” to the Declaration of Geoffrey Greulich filed on September 11, 2017 as Docket
9 Number 6 (the “Greulich Declaration”) or to the highest or otherwise best overbidder selected at
10 the Auction (defined below) free and clear of all Encumbrances (defined below). By way of the
11 Motion, the Debtors also requested the Court’s approval of the Debtors’ assumption and
12 assignment to Radians (or the successful overbidder) of those unexpired leases and executory
13 contracts that Radians (or the successful overbidder) wishes to have assigned to it and to reject
14 the balance of such unexpired leases and executory contracts effective as of the sale closing. All
15 capitalized terms which are not defined in this Sale Order shall be deemed to have the same
16 definitions as set forth in the Asset Purchase Agreement between Brighton-Best International,
17 Inc. (“BBI”) and the Debtors (the “APA”). All capitalized terms which are not defined in either
18 this Sale Order or in the APA shall have the definitions set forth in the Motion.
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22 At a continued hearing held on September 25, 2017, the Court granted the Debtors’ bid
23 procedures motion by order entered on September 28, 2017 as Docket Number 71 (the “Bidding
24

25 ¹ Concurrently with the hearing on the Motion, the Court also held a hearing on that certain
26 *Debtors’ Motion For An Order: (1) Approving Debtors’ Assumption And Assignment Of*
27 *Additional Executory Contracts And Determining Cure Amounts And Approving Of Debtors’*
28 *Rejection Of Those Executory Contracts Which Are Not Assumed And Assigned; (2) Waiving The*
14-Day Stay Period Set Forth In Bankruptcy Rule 6006(d); and (3) Granting Related Relief
[Docket No. 125] (the “Additional Contracts Motion”). References in this Sale Order to the

1 Procedures Order”). The Bidding Procedures Order was approved by the Debtors, Radians, the
2 Official Committee of Unsecured Creditors (the “OCUC”) and the Official Committee of Equity
3 Holders (the “OCEH”) that were appointed in these cases. The Bidding Procedures Order
4 explained to prospective overbidders how a prospective overbidder could become qualified to
5 participate in the Auction and how the Auction would proceed in the event that there was one or
6 more qualified overbidders.
7

8 In accordance with the Bidding Procedures Order, the Debtors conducted an Auction on
9 October 30, 2017. BBI was the winning bidder at the Auction with a purchase price of Twenty-
10 Five Million Two Hundred Fifty Thousand Dollars (\$25,250,000.00) (the “Purchase Price”) to
11 be funded in the manner set forth below in this Sale Order. The Debtors, in consultation with the
12 OCUC and the OCEH, determined that the Purchase Price bid submitted by BBI at the Auction
13 (the “Winning Bid”) was the highest and best bid submitted at the Action and should be
14 approved by the Court.
15

16 The Court, having considered the Motion and all pleadings filed by the Debtors in
17 support of the Motion and all pleadings filed in response to the Motion; the statements,
18 arguments and representations of the parties made at the Sale Hearing; and the entire record of
19 these cases; and the Court, having determined that the relief sought in the Motion is in the best
20 interests of the Debtors, their estates, their creditors and their shareholders, and that the legal and
21 factual bases set forth in the Motion and presented at the Sale Hearing establish just cause for the
22 relief granted herein; and all objections to the Motion, if any, having been withdrawn or overruled;
23 and after due deliberation and sufficient good cause appearing therefor,
24

25 **THE COURT HEREBY FINDS AND CONCLUDES THAT:²**
26

27 Motion include and incorporate the Additional Contracts Motion.
28

² The findings of fact and conclusions of law set forth herein constitute the Bankruptcy Court's

1 A. Jurisdiction and Venue. The Bankruptcy Court has jurisdiction to hear and determine
2 the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter relates to the administration of
3 the Debtors' bankruptcy estates and is accordingly a core proceeding pursuant to 28 U.S.C. §
4 157(b) (2) (A), (M), (N) and (O). Venue of these cases is proper in this District and in the
5 Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409.
6

7 B. Statutory Predicates. The statutory predicates for the relief requested in the
8 Motion are (i) Sections 105(a) and 363(b), (f), (k), (l) and (m), 365 of Title 11 of the United
9 States Code (the "Bankruptcy Code"), (ii) Rules 2002(a)(2), 2002(c)(1) and (d), 6004 (a), (b),
10 (c), (e), (f) and (h), 6006(a), (c) and (d), 9006, 9007, 9013 and 9014 of the Federal Rules of
11 Bankruptcy Procedure, and (iii) Local Bankruptcy Local Rules 6004-1 and 9013-1.
12

13 C. Notice. The Debtors have provided good and sufficient notice with respect to the
14 following: (i) the Motion and the relief sought therein, including the entry of this Sale Order and the
15 transfer and sale of the Purchased Assets, (ii) the Auction and the Sale Hearing, (iii) the selection of
16 the Winning Bid, and (iv) the assumption and assignment of the executory contracts and unexpired
17 leases and proposed cure amounts owing under such executory contracts and unexpired leases ("Cure
18 Amounts"); and no further notice of the Motion, the relief requested therein or the Sale Hearing is
19 required. A reasonable opportunity to object and to be heard regarding the relief provided herein has
20 been afforded to parties-in-interest.
21

22 D. Compliance with the Auction Procedures. The Auction process implemented by the
23 Debtors was conducted in accordance with the Bidding Procedures Order and was fair, proper, and
24 reasonably calculated to result in the best value received for the Purchased Assets. The Auction
25

26 findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to
27 these proceedings by Bankruptcy Rule 9014. To the extent any of the following findings
28 constitute conclusions of law, they are adopted as such. To the extent any of the following
conclusions of law constitute findings of fact, they are adopted as such.

1 process afforded a full, fair, and reasonable opportunity for any party-in-interest to become a
2 qualified bidder and to participate in the Auction. As demonstrated by (i) the testimony and/or other
3 evidence proffered and adduced at the Sale Hearing and (ii) the representations of counsel made on
4 the record at the Sale Hearing, the Debtors have conducted the Auction process in good faith, without
5 collusion and in accordance with the Bidding Procedures Order.

6
7 E. Highest or Otherwise Best Bid. The Winning Bid constitutes the highest or otherwise
8 best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' estates than
9 would be provided by any other available alternative. The Debtors' determination that the Winning
10 Bid constitutes the highest or otherwise best offer for the Purchased Assets constitutes a reasonable,
11 valid and sound exercise of the Debtors' business judgment, and is in the best interests of the
12 Debtors, their estates, their creditors and their shareholders. The consideration to be paid by BBI for
13 the Purchased Assets is fair and reasonable, is the highest or otherwise best offer therefor, and
14 constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the
15 Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act, and the laws of the
16 United States.

17
18 F. Arm's Length Transaction. The APA and other documents and instruments (the
19 "Transaction Documents") related to and connected with this transaction (the "Transaction") and the
20 consummation thereof were negotiated and entered into by the Debtors and BBI without collusion, in
21 good faith and through an arm's length bargaining process. Neither BBI nor any of its affiliates or
22 representatives is an "insider" of the Debtors, as that term is defined in section 101(31) of the
23 Bankruptcy Code. None of the Debtors, BBI, or their respective representatives engaged in any
24 conduct that would cause or permit the APA, any of the other Transaction Documents or the
25 Transaction to be avoided under section 363(n) of the Bankruptcy Code, or have acted in any
26 improper or collusive manner. The terms and conditions of the APA and the other Transaction
27
28

1 Documents, including, without limitation, the consideration provided in respect thereof, are fair and
2 reasonable, and are not avoidable and shall not be avoided, and no damages may be assessed against
3 BBI or any other party, as set forth in section 363(n) of the Bankruptcy Code.

4 G. Good Faith Purchaser. BBI has proceeded in good faith and without collusion in all
5 respects in connection with the sale process, in that: (i) BBI, in proposing and proceeding with the
6 Transaction in accordance with the APA, recognized that the Debtors were free to deal with other
7 interested parties; (ii) BBI agreed to provisions in the APA that would enable the Debtors to accept a
8 higher and better offer; (iii) BBI complied with all of the provisions in the Auction and the Bidding
9 Procedures Order applicable to BBI; (iv) all payments to be made by BBI and other agreements
10 entered into or to be entered into between BBI and the Debtors in connection with the Transaction
11 have been disclosed; (v) the negotiation and execution of the APA and related Transaction
12 Documents were conducted in good faith and constituted an arm's length transaction; and (vi) the
13 APA was not entered into, and the Transaction being consummated pursuant to and in accordance
14 with the APA is not being consummated, for the purpose of hindering, delaying or defrauding
15 creditors of the Debtors. BBI is therefore entitled to all of the benefits and protections provided to a
16 good-faith purchaser under section 363(m) of the Bankruptcy Code. Accordingly, the reversal or
17 modification on appeal of the authorization provided herein to consummate the Transaction shall not
18 affect the validity of the Transaction or BBI's status as a "good faith" purchaser.

19 H. Justification for Relief. Good and sufficient reasons for approval of the APA and the
20 other Transaction Documents and the Transaction have been articulated to the Bankruptcy Court in
21 the Motion and at the Sale Hearing, and the relief requested in the Motion and set forth in this Sale
22 Order is in the best interests of the Debtors, their estates, their creditors and their shareholders. The
23 Debtors have demonstrated through the Motion and other evidence submitted at the Sale Hearing
24 both (i) good, sufficient and sound business purpose and justification and (ii) compelling
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1 circumstances for the transfer and sale of the Purchased Assets as provided in the APA outside the
2 ordinary course of business, and such action is an appropriate exercise of the Debtors' business
3 judgment and in the best interests of the Debtors, their estates, their creditors and their shareholders.

4 I. Free and Clear. In accordance with sections 363(b) and 363(f) of the Bankruptcy
5 Code, the consummation of the Transaction pursuant to the Transaction Documents will be a legal,
6 valid, and effective transfer and sale of the Purchased Assets and will vest in BBI, through the
7 consummation of the Transaction, all of the Debtors' right, title, and interest in and to the Purchased
8 Assets, free and clear of all liens, claims, encumbrances, and other interests of any kind or nature
9 whatsoever (collectively, "Encumbrances"). The Debtors have demonstrated that one or more of the
10 standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. All holders
11 of Encumbrances in the Purchased Assets are adequately protected by having their respective
12 Encumbrances attach to the net sale proceeds attributable to the Purchased Assets to the extent any
13 such Encumbrances existed as of the Petition Date and subject to the terms of such Encumbrances
14 with the same validity, force and effect, and in the same order of priority, which such Encumbrances
15 had against the Purchased Assets as of the Petition Date, subject to any rights, claims and defenses
16 the Debtors or their estates may possess with respect thereto.

17 J. Prompt Consummation. The Debtors have demonstrated good and sufficient cause to
18 waive the stay requirement under Bankruptcy Rules 6004(h) and 6006(d). Time is of the essence in
19 consummating the Transaction, and it is in the best interests of the Debtors and their estates to
20 consummate the Transaction within the timeline set forth in the Motion and the APA.

21 K. Assumption of Executory Contracts and Unexpired Leases. The Debtors have
22 demonstrated that it is an exercise of their sound business judgment to assume and assign to BBI the
23 Currently Identified Designated Contracts (as defined and identified in paragraph 14 below) and to
24 the extent subsequently identified by BBI pursuant to paragraph 15 below, the Subsequently
25

1 Identified Designated Contracts (as defined in paragraph 15 below) (the Currently Identified
2 Designated Contracts and the Subsequently Identified Contracts are collectively referred to herein as
3 the “Designated Contracts”) in connection with the consummation of the Transaction, and the
4 assumption and assignment of the Designated Contracts is in the best interests of the Debtors and
5 their estates.
6

7 L. Cure/Adequate Assurance. Through the payments to be made at the Closing, BBI
8 will have cured, or will have provided adequate assurance of cure upon Closing, of any default
9 existing prior to the Closing under any of the Designated Contracts, within the meaning of 11 U.S.C.
10 § 365(b)(1)(A), by payment of the amounts and in the manner set forth below. BBI has provided or
11 will provide adequate assurance of future performance of and under the Designated Contracts within
12 the meaning of 11 U.S.C. § 365(b)(1)(C). Pursuant to 11 U.S.C. § 365(f), the Designated Contracts
13 to be assumed by the Debtors and assigned to BBI under the APA shall be assigned and transferred
14 to, and remain in full force and effect for the benefit of, BBI notwithstanding any provision in such
15 Designated Contracts prohibiting their assignment or transfer. The Debtors have demonstrated that
16 no other parties to any of the Designated Contracts has incurred any actual pecuniary loss resulting
17 from a default prior to the Closing under any of the Designated Contracts within the meaning of 11
18 U.S.C. § 365(b)(1)(B). Pursuant to 11 U.S.C. § 365(f), the Designated Contracts to be assumed by
19 the Debtors and assigned to BBI at the Closing shall be assigned and transferred to, and remain in
20 full force and effect for the benefit of, BBI notwithstanding any provision in such contracts or other
21 restrictions prohibiting their assignment or transfer.
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24 M. Rejection of Executory Contracts and Unexpired Leases. The Debtors have
25 demonstrated that it is an exercise of their sound business judgment to reject all of their executory
26 contracts and unexpired leases which are not part of the Designated Contracts effective as of the
27 Closing, subject only to that set forth in paragraph 28 below.
28

1 N. Legal and Factual Bases. The legal and factual bases set forth in the Motion and at
2 the Sale Hearing establish just cause for the relief granted herein.

3 **NOW THEREFORE, IT IS HEREBY ORDERED THAT:**

4 1. The relief requested in the Motion is GRANTED and APPROVED in all respects to
5 the extent provided herein.

6 2. All objections with regard to the relief sought in the Motion that have not been
7 withdrawn, waived, settled, or otherwise dealt with as expressly provided herein and in the Bidding
8 Procedures Order, and all reservation of rights included in such objections, are overruled on the merits
9 with prejudice.

10 3. Pursuant to sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code, the
11 Transaction, including the transfer and sale of the Purchased Assets to BBI on the terms set forth in
12 the APA, a copy of which is attached hereto as Exhibit "1", is approved in all respects, and the
13 Debtors are authorized and directed to consummate the Transaction in accordance with the APA,
14 including, without limitation, by executing all of the Transaction Documents and taking all actions
15 necessary and appropriate to effectuate and consummate the Transaction (including the transfer and
16 sale of the Purchased Assets) in consideration of the Purchase Price upon the terms set forth in the
17 APA, including, without limitation, assuming and assigning to BBI the Designated Contracts. The
18 Debtors and BBI shall have the right to make any mutually agreeable, non-material changes to the
19 APA which shall be in writing signed by both parties without further order of the Court and provided
20 that the OCEH and the OCUC do not object to such changes. Any objection by the OCEH or the
21 OCUC to any such changes will be resolved by the Court.

22 4. As of the Closing, (i) the Transaction set forth in the APA shall effect a legal, valid,
23 enforceable and effective transfer and sale of the Purchased Assets to BBI free and clear of all
24 Encumbrances, as further set forth in the APA and this Sale Order; and (ii) the APA, and the other
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Transaction Documents, and the Transaction, shall be enforceable against and binding upon, and not subject to rejection or avoidance by, the Debtors, any successor thereto including a trustee or estate representative appointed in the Bankruptcy Cases, and all other persons and entities.

5. Subject to the fulfillment of the terms and conditions of the APA, this Sale Order shall, as of the Closing, be considered and constitute for all purposes a full and complete general assignment, conveyance, and transfer of the Purchased Assets and/or a bill of sale transferring all of the Debtors' rights, title and interest in and to the Purchased Assets to BBI. Consistent with, but not in limitation of the foregoing, each and every federal, state, and local governmental agency or department is hereby authorized and directed to accept all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and approved in this Sale Order.

6. Any person or entity that is currently, or on the Closing Date may be, in possession of some or all of the Purchased Assets is hereby directed to surrender possession of such Purchased Assets either to (a) the Debtors before the Closing or (b) to BBI or its designee upon the Closing.

7. The transfer of the Purchased Assets pursuant to the Transaction Documents is a legal, valid, and effective transfer and shall, in accordance with sections 105(a) and 363(f) of the Bankruptcy Code, and upon consummation of the Transaction, including, without limitation, payment of the Purchase Price to the Debtors, vest BBI with all right, title, and interest in the Purchased Assets, free and clear of all Encumbrances.

8. Following the Closing, no holder of any Encumbrance against the Debtors or the Purchased Assets shall interfere with BBI's respective rights in, title to or use and enjoyment of the Purchased Assets. All valid and perfected Encumbrances in the Purchased Assets shall attach to the net Purchase Price proceeds attributable to the Purchased Assets immediately upon receipt of such Purchase Price proceeds by the Debtors in the order of priority, and with the same validity, force and

1 effect, which such Encumbrances had against such Purchased Assets as of the filing of the Bankruptcy
2 Cases, subject to any rights, claims and defenses the Debtors and their estates may possess with
3 respect thereto.

4 9. BBI shall not be deemed, as a result of any action taken in connection with, or as a
5 result of the Transaction (including the transfer and sale of the Purchased Assets), to: (i) be a
6 successor, continuation or alter ego (or other such similarly situated party) to the Debtors or their
7 estates by reason of any theory of law or equity, including, without limitation, any bulk sales law,
8 doctrine or theory of successor liability, or similar theory or basis of liability; or (ii) have, de facto or
9 otherwise, merged with or into the Debtors; or (iii) be a mere continuation, alter ego, or substantial
10 continuation of the Debtors. Other than the Assumed Liabilities, BBI is not assuming any of the
11 Debtors' debts.
12

13 10. This Sale Order (i) shall be effective as a determination that, on Closing, all
14 Encumbrances existing against the Purchased Assets before the Closing have been unconditionally
15 released, discharged and terminated, and that the transfers and conveyances described herein have
16 been effected, and (ii) shall be binding upon and shall govern the acts of all persons and entities. If
17 any person or entity that has filed financing statements or other documents or agreements evidencing
18 any Encumbrances against the Purchased Assets shall not have delivered to the Debtors before the
19 Closing, in proper form for filing and executed by the appropriate parties, termination statements,
20 instruments of satisfaction, releases of all Encumbrances which the person or entity has with respect to
21 the Purchased Assets, then BBI and/or the Debtors are hereby authorized to execute and file such
22 statements, instruments, releases and other documents on behalf of the person or entity with respect to
23 such Purchased Assets.
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11. In accordance with the Bidding Procedures Order, concurrently with the Closing, the Escrow Agent shall pay to Radians out of the Purchase Price (i) the full amount of Radians' pre-bankruptcy secured debt, plus (ii) the full amount then drawn by the Debtors against the DIP Facility (collectively, the "Radians Payoff Amount"), plus (iii) the Breakup Fee of \$500,000.00. As of October 31, 2017, the Radians Payoff Amount is \$4,813,780.79. Interest accrues on the Radians Payoff Amount from and after October 31, 2017 at a daily per diem of \$2,011.28 until paid. The payment to Radians at the Closing in the amount of the Radians Payoff Amount, including accrued interest from and after October 31, 2017, and the Breakup Fee out of the Purchase Price shall constitute a complete satisfaction of all outstanding indebtedness owing by the Debtors to Radians as of date of payment, and extinguishment of the pre and post-petition liens and security interests on the Purchased Assets of the Debtors' bankruptcy estates as granted to Radians. Radians hereby authorizes BBI to file UCC termination statements with respect to all recorded liens by Radians or Radians' predecessor from whom Radians purchased its pre-bankruptcy secured debt. Nothing in this Sale Order shall be construed to impair or limit in any way the rights of Radians granted in the *Final Order: (I) Authorizing The Debtors To (A) Obtain Postpetition Financing Pursuant To 11 U.S.C. §§ 105, 361, 362 And 364, And (B) Utilize Cash Collateral Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; (II) Granting Adequate Protection Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; And (III) Granting Related Relief (the "Final DIP Order")*, except that following the Closing Radians shall have no Encumbrance on or against any of the Purchased Assets (with Radians' Encumbrances to transfer to the net Purchase Price proceeds as set forth below in this paragraph 11). Radians reserves all rights and remedies as granted to it under the pre-petition Loan Documents and the DIP Agreement to assert possible claims for additional fees and expenses incurred by Radians against the Debtors' bankruptcy estates to the extent Radians is entitled to them under the Loan Documents and the DIP Agreement resulting from an action, threatened action or discovery brought against Radians with all

parties reserving all rights. The OCEH and OCUC reserve any and all rights to challenge any claims asserted by Radians for additional fees and expenses. Until such time that the deadline for any claims to be asserted against Radians set forth in the Final DIP Order passes with no such claims asserted, or claims are asserted and are resolved to final order of the Court, Radians valid and perfected Encumbrances in the Purchased Assets for any additional fees and expenses as referenced above shall attach to the net Purchase Price proceeds attributable to the Purchased Assets immediately upon receipt of such Purchase Price proceeds by the Debtors in the same order of priority, and with the same validity, force and effect, which such Encumbrances had against such Purchased Assets as of the filing of the Bankruptcy Cases, subject to any rights, claims and defenses the Debtors and their estates and/or the OCEH and OCUC may possess with respect thereto.

12. BBI shall fund the payment of the Purchase Price at the Closing by (i) wire transferring into a segregated trust account (the "Trust Account") maintained by Levene, Neale, Bender, Yoo & Brill L.L.P. ("Escrow Agent"), which shall serve as the Escrow Agent for this Transaction, the amount of Twenty-Four Million Two Hundred Fifty Thousand Dollars (\$24,250,000.00) and (ii) by transferring title to the One Million Dollar (\$1,000,000.00) deposit that BBI previously provided to the Escrow Agent (the "BBI Deposit") to the Debtors. The Trust Account shall be maintained by Escrow Agent at First Republic Bank unless otherwise ordered by the Court.

13. Concurrently with the Closing or as soon thereafter as is possible, the Escrow Agent shall pay out of the Purchase Price the following amounts to the following parties (collectively, the "Designated Cure Amounts"):

Nantong Changbang Gloves Co. - \$1,228,307.56

Woneel Midas Leathers - \$785,358.50

Mercindo Global Manufaktur - \$444,674.64

1 Marusan – Mimasu Tshusho Co. Ltd. - \$382,811.28

2 Grainger - \$180,000.00 (the “Grainger Cure Payment”)

3 Advantage Media Services - \$178,522.75

4 PT JJ Gloves Indo - \$162,917.76

5 PT Sport Glove Indonesia - \$144,238.66

6 Windspeed Sports Shanghai Co., Ltd. - \$144,198.43

7 Ka Hung Glove Industrial Co. Ltd. - \$38,934.90

8 Synetra - \$37,972.33

9 AML United Limited - \$28,330.56

10 1920 Hutton Court - \$13,257.09

11 PT Seok HWA Indonesia - \$13,174.86

12 Design Gallery (Pvt.) Ltd. - \$12,801.60

13 Desun Garments, Ltd. - \$7,691.75

14 Konica Minolta - \$1,152.31

15 Pitney Bowes - \$452.99

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18 Notwithstanding the inclusion of the Grainger Cure Payment on the above list of Designated Cure
19 Payments, and for the avoidance of doubt, neither the GGS Supplier Agreement nor the Grainger
20 Supplier Agreement shall be considered Designated Contracts or Currently Identified Designated
21 Contracts, and the Debtors are not assuming or assuming and assigning to BBI the GGS Supplier
22 Agreement or the Grainger Supplier Agreement.
23

24 14. To the extent that any of the contracts and/or leases, not including the GGS Supplier
25 Agreement and the Grainger Supplier Agreement, which give rise to the Designated Cure Amounts in
26 paragraph 13 above (the “Currently Identified Designated Contracts”) are executory contracts or
27 unexpired leases (over which the Court is not making any such determination at this time), then in
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1 connection with the Closing, the Debtors shall be deemed to have assumed all such Currently
2 Identified Designated Contracts (so that they are deemed part of the Designated Contracts) and to have
3 assigned them to BBI, and BBI shall have assumed all obligations owing under all such Currently
4 Identified Designated Contracts following the Closing. In the event that the Court ultimately
5 determines that any such counter-parties to the Currently Identified Designated Contracts (the
6 “Currently Identified Designated Contract Counter-Parties”) have an allowed claim against the
7 Debtors which exceeds the Designated Cure Amounts, the difference will be paid by the Escrow
8 Agent out of the Purchase Price and shall not be the responsibility of BBI. The Court shall resolve
9 any and all disputes which may arise between the Debtors, BBI and any of the Currently Identified
10 Designated Contract Counter-Parties over whether the Currently Identified Designated Contracts are
11 executory contracts or unexpired leases and whether any of the Currently Identified Designated
12 Contract Counter-Parties are entitled to an allowed claim against the Debtors which exceeds the
13 Designated Cure Amounts.

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16 15. All of the Currently Identified Designated Contracts, to the extent they are executory
17 contracts or unexpired leases, shall be part of the Designated Contracts that will be assumed by the
18 Debtors and assigned to BBI at the Closing. In the event that BBI elects to add any other of the
19 Debtors’ executory contracts or unexpired leases to the list of Designated Contracts (“Subsequently
20 Identified Designated Contracts”), BBI must file a notice with the Court at least three business days
21 prior to the Closing identifying all such Subsequently Identified Designated Contracts and serving
22 such notice by over-night mail on all counter-parties to the Subsequently Identified Designated
23 Contracts (“Subsequently Identified Designated Contract Counter-Parties”). All Subsequently
24 Identified Designated Contracts shall be assumed by the Debtors and assigned to BBI at the Closing,
25 with BBI to be obligated to pay all cure amounts owing to such Subsequently Identified Designated
26 Contract Counter-Parties (the “BBI Cure Amounts”) concurrently with the Closing unless there is a
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1 dispute over the amount of any such BBI Cure Amounts, with the Court to resolve any such disputes.
2 The payment by BBI of such BBI Cure Amounts will be in addition to the Purchase Price.

3 16. Other than the Radians Payoff Amount, the Breakup Fee, and the Designated Cure
4 Amounts, all of which shall be paid in full by the Escrow Agent in connection with the Closing, then
5 notwithstanding anything contained in any prior order of the Court, the Escrow Agent shall maintain
6 the remaining balance of the Purchase Price in the Trust Account pending further order of the Court.

7
8 17. In addition to the payment of the Purchase Price, in connection with the Closing, BBI
9 shall wire transfer to the Escrow Agent the additional amount of Eight Hundred Twenty Thousand
10 Dollars (\$820,000.00) (the “Supplemental Payment”) which Escrow Agent shall maintain in a
11 segregated trust account separate from the Trust Account (the “Separate Trust Account”) pending
12 further order of the Court. Except as set forth solely with respect to PIP and the PIP APA (as each is
13 defined in paragraph 28 below), (i) the Supplier Agreement dated November 9, 2015 (the “GGG
14 Supplier Agreement”) entered into between the Debtors and Grainger Global Sourcing a division
15 of Grainger International, Inc. (“GGG”), and (ii) that certain “Third Amendment to Terms and
16 Conditions to Supplier Agreement By and Between Ironclad Performance Wear Corp. and W.W.
17 Grainger, Inc. dated November 15, 2015, which amended the terms and conditions of that certain
18 Supplier Agreement dated January 1, 2006 (the “Grainger Supplier Agreement”) entered into
19 between the Debtors and W.W. Grainger, Inc. (“Grainger”) are not Designated Contracts and are
20 not being assumed by the Debtors and are not being assigned to BBI. The funds in the Separate
21 Trust Account are to be used solely to pay any damage claim to the extent allowed by the Court
22 in favor of GGS resulting from the Debtors’ rejection of the GGS Supplier Agreement and/or
23 allowed by the Court in favor of Grainger resulting from the Debtors’ rejection of the Grainger
24 Supplier Agreement after taking into account the Grainger Cure Payment (collectively, the
25 “Final Grainger Claim”). If the Final Grainger Claim exceeds One Million Dollars (\$1,000,000)
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(inclusive of the \$180,000 Grainger Cure Payment), the Final Grainger Claim will be fully satisfied by payment to Grainger of (i) the \$180,000 Grainger Cure Payment to be paid to Grainger by the Escrow Agent at the Closing, plus (ii) the \$820,000 Supplemental Payment to be maintained in the Separate Trust Account to be paid to Grainger and/or GGS (as ordered by the Court or as agreed to by the parties) by the Escrow Agent following the entry of an order of the Court allowing the Final Grainger Claim and such order becoming a final order, plus (iii) any excess to be paid by the Escrow Agent to Grainger and/or GGS (as ordered by the Court or as agreed to by the parties) from the Purchase Price following the entry of an order of the Court allowing the Final Grainger Claim and such order becoming a final order (“Excess Grainger Amount”) and the entry of a further order of the Court authorizing payment of any such Excess Grainger Amount. If the Final Grainger Claim (inclusive of the \$180,000 Grainger Cure Payment) equals or is less than One Million Dollars (\$1,000,000.00), (a) the Final Grainger Claim will be fully satisfied by payment to Grainger of (i) the \$180,000 Grainger Cure Payment to be paid to Grainger by the Escrow Agent at the Closing, plus (ii) an amount from the \$820,000 Supplemental Payment maintained in the Separate Trust Account which when added to the \$180,000 Grainger Cure Payment equals the total Final Grainger Claim to be paid to Grainger and/or GGS (as ordered by the Court or as agreed to by the parties) by the Escrow Agent following the entry of an order of the Court allowing the Final Grainger Claim and such order becoming a final order; and (b) promptly after the payment above to Grainger and/or GGS (as ordered by the Court or as agreed to by the parties) has been made in satisfaction of the Final Grainger Claim, the Escrow Agent shall cause the balance in the Separate Trust Account, if any, to be paid promptly to BBI. The Debtors and BBI shall work cooperatively and in good faith, including following the Closing, in a joint effort to minimize the Final Grainger Claim with the Court to resolve any differences between the Debtors and BBI in this regard. The Debtors, BBI,

1 the OCEH and the OCUC shall jointly determine the timing of the Debtors' rejection of the
2 GGS Supplier Agreement and the Grainger Supplier Agreement, which may occur after the
3 Closing if doing so will help to minimize the Final Grainger Claim. Any such rejection of the
4 GGS Supplier Agreement and the Grainger Supplier Agreement will happen only following the
5 entry of an order of the Court approving such rejection. The Court will resolve any differences
6 between the Debtors and BBI over the timing of the rejection of the GGS Supplier Agreement
7 and the Grainger Supplier Agreement. The Debtors may not assume or assume and assign either
8 the GGS Supplier Agreement and/or the Grainger Supplier Agreement (or assign any rights
9 under either the GGS Supplier Agreement and/or the Grainger Supplier Agreement) without the
10 prior written consent of BBI, which BBI has the right to withhold in its sole and absolute
11 discretion for any reason.
12

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14 18. Upon the Closing, the Debtors are authorized and directed to assume, assign and/or
15 transfer each of the Designated Contracts to BBI, including the Currently Identified Designated
16 Contracts and any Subsequently Identified Designated Contracts. At the Closing, the Escrow Agent
17 shall pay out of the Purchase Price to all Currently Identified Designated Contract Counter-Parties and
18 to Grainger the Designated Cure Amounts identified in paragraph 13 above, and payment of such
19 Designated Cure Amounts by the Escrow Agent to all such Currently Identified Designated
20 Contract Counter-Parties are deemed the necessary and sufficient amounts to "cure" all "defaults"
21 with respect to all such Currently Identified Designated Contracts under section 365(b) of the
22 Bankruptcy Code. The payment by the Escrow Agent of such Designated Cure Amounts to all such
23 Currently Identified Designated Contract Counter-Parties shall (i) effect a cure of all defaults existing
24 under all such Currently Identified Designated Contracts, and (ii) compensate all such Currently
25 Identified Designated Contract Counter-Parties for any actual pecuniary loss resulting from any such
26 default. At the Closing, BBI shall pay (which payment(s) shall be in addition to the Purchase Price) to
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1 all Subsequently Identified Designated Contract Counter-Parties the BBI Cure Amounts, and
2 payment of such BBI Cure Amounts by BBI to all such Subsequently Identified Designated
3 Contract Counter-Parties are deemed the necessary and sufficient amounts to "cure" all "defaults"
4 with respect to all such Subsequently Identified Designated Contracts under section 365(b) of the
5 Bankruptcy Code. The payment by BBI of such BBI Cure Amounts to all such Subsequently
6 Identified Designated Contract Counter-Parties shall (i) effect a cure of all defaults existing under all
7 such Subsequently Identified Designated Contracts, and (ii) compensate such Subsequently Identified
8 Designated Contract Counter-Parties for any actual pecuniary loss resulting from any such default.
9 The Debtors shall then have assumed and assigned to BBI, effective as of the Closing, all of the
10 Designated Contracts (comprised of both all Currently Identified Designated Contracts and all
11 Subsequently Identified Designated Contracts, if any), and, pursuant to section 365(f) of the
12 Bankruptcy Code, the assignment by the Debtors of all such Designated Contracts to BBI shall not be
13 a default thereunder. After the payment of the Designated Cure Amounts by the Escrow Agent to the
14 Currently Identified Designated Contract Counter-Parties, neither the Debtors nor BBI shall have any
15 further liabilities to any Currently Identified Designated Contract Counter-Parties other than BBI's
16 obligations under the Currently Identified Designated Contracts that accrue and become due and
17 payable on or after the Closing Date. After the payment of the BBI Cure Amounts by BBI to the
18 Subsequently Identified Designated Contract Counter-Parties, neither the Debtors nor BBI shall have
19 any further liabilities to any Subsequently Identified Designated Contract Counter-Parties other
20 than BBI's obligations under the Subsequently Identified Designated Contracts that accrue and
21 become due and payable on or after the Closing Date. In addition, adequate assurance of future
22 performance has been demonstrated by or on behalf of BBI with respect to all of the Designated
23 Contracts within the meaning of sections 365(b)(1)(c), 365(b)(3) (to the extent applicable) and
24 365(f)(2)(B) of the Bankruptcy Code.
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1 19. All of the Currently Identified Designated Contract Counter-Parties and all of
2 Subsequently Identified Designated Contract Counter-Parties are forever barred, estopped, and
3 permanently enjoined from (i) raising or asserting against the Debtors or BBI, or any of their property,
4 any assignment fee, acceleration, default, breach, or claim of pecuniary loss, or condition to
5 assignment, arising under or related to the Designated Contracts, existing as of the Closing, or arising
6 by reason of the consummation of the Transaction contemplated by the APA, including, without
7 limitation, the Transaction and the assumption and assignment of the Designated Contracts, including
8 any asserted breach relating to or arising out of the change-in-control provisions in such Designated
9 Contracts, or any purported written or oral modification to the Designated Contracts and (ii) asserting
10 against BBI any claim, counterclaim, breach, or condition asserted or assertable against the Debtors
11 existing as of the Closing or arising by reason of the transfer of the Purchased Assets, except for the
12 Assumed Liabilities.
13
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15 20. Any provisions in any Designated Contracts that prohibit or condition the assignment
16 of such Designated Contract or allow the counterparty to such Designated Contract to terminate,
17 recapture, impose any penalty, condition on renewal or extension or modify any term or condition
18 upon the assignment of such Designated Contract constitute unenforceable anti-assignment provisions
19 that are void and of no force and effect with respect to the Debtors' assumption and assignment of
20 such Designated Contract to BBI in accordance with the APA.
21

22 21. The terms and provisions of this Sale Order, as well as the rights granted under the
23 Transaction Documents, shall continue in full force and effect and are binding upon any successor,
24 reorganized Debtors, or chapter 7 or chapter 11 trustee applicable to the Debtors, notwithstanding any
25 such conversion, dismissal or order entry. Nothing contained in any chapter 11 plan confirmed in the
26 Bankruptcy Cases or in any order confirming such a plan, nor any order dismissing the Bankruptcy
27 Cases or converting the Bankruptcy Cases to a case under chapter 7 of the Bankruptcy Code, shall
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1 conflict with or derogate from the provisions of the APA, any documents or instruments executed in
2 connection therewith, or the terms of this Sale Order. The provisions of this Sale Order and any
3 actions taken pursuant hereto shall survive any conversion or dismissal of the Bankruptcy Case and
4 the entry of any other order that may be entered in the Bankruptcy Cases, including any order (i)
5 confirming any plan of reorganization; (ii) converting the Bankruptcy Case from chapter 11 to
6 chapter 7; (iii) appointing a trustee or examiner in the Bankruptcy Case; or (iv) dismissing the
7 Bankruptcy Cases.
8

9 22. The Transaction contemplated by the APA and other Transaction Documents are
10 undertaken without collusion and in "good faith," as that term is defined in section 363(m) of the
11 Bankruptcy Code. BBI is a good faith purchaser within the meaning of section 363(m) of the
12 Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy
13 Code. Accordingly, the reversal or modification on appeal of the authorization provided herein by this
14 Sale Order to consummate the Transaction shall not affect the validity of the sale of the Purchased
15 Assets to BBI.
16

17 23. The failure to specifically include any particular provision of the APA or the other
18 Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such
19 provisions, it being the intent of the Bankruptcy Court that the Transaction, the APA and the other
20 Transaction Documents be authorized and approved in their entirety. Likewise, all of the provisions
21 of this Sale Order are non-severable and mutually dependent.
22

23 24. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062, or 9014, if applicable, or
24 any other Local Bankruptcy Rule or otherwise, this Sale Order shall not be stayed for 14-days after the
25 entry hereof, but shall be effective and enforceable immediately upon entry pursuant to Bankruptcy
26 Rule 6004(h) and 6006(d). Time is of the essence in approving the Transaction (including the transfer
27 and the sale of the Purchased Assets).
28

1 25. The automatic stay pursuant to section 362 is hereby lifted with respect to the Debtors
2 to the extent necessary, without further order of the Bankruptcy Court, to (i) allow BBI to deliver any
3 notice provided for in the APA and Transaction Documents and (ii) allow BBI to take any and all
4 actions permitted under the APA and Transaction Documents in accordance with the terms and
5 conditions thereof.
6

7 26. Unless otherwise provided in this Sale Order, to the extent any inconsistency exists
8 between the provisions of the APA and this Sale Order, the provisions contained in this Sale Order
9 shall govern.

10 27. The Bankruptcy Court shall retain exclusive jurisdiction to interpret, construe, and
11 enforce the provisions of the APA and this Sale Order in all respects, and further, including, without
12 limitation, to (i) hear and determine all disputes between the Debtors and/or BBI, as the case may be,
13 and any other non-Debtor party to, among other things, the Designated Contracts concerning, among
14 other things, assignment thereof by the Debtors to BBI and any dispute between BBI and the Debtors
15 as to their respective obligations with respect to any asset, liability, or claim arising hereunder; (ii)
16 compel delivery of the Purchased Assets to BBI free and clear of Encumbrances; (iii) compel the
17 delivery of the Purchase Price or performance of other obligations owed to the Debtors; (iv) interpret,
18 implement, and enforce the provisions of this Sale Order; and (v) protect BBI against (A) claims made
19 related to any of the Excluded Liabilities, (B) any claims of successor or vicarious liability (or similar
20 claims or theories) related to the Purchased Assets or the Designated Contracts, or (C) any
21 Encumbrances asserted on or against BBI or the Purchased Assets.
22

23 28. Protective Industrial Products, Inc. (“PIP”) is hereby approved as the back-up
24 bidder with a back-up bid of Twenty-Five Million Dollars (\$25,000,000.00) (the “Back Up
25 Purchase Price”). If BBI fails to close the Transaction in accordance with the terms and timing
26 of the APA, BBI shall be deemed to have forfeited the BBI Deposit to the Debtors’ bankruptcy
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1 estates as liquidated damages, with the Court to resolve any dispute in this regard between the
2 Debtors and BBI. The Escrow Agent will continue to hold the One Million Dollar deposit
3 provided to the Escrow Agent by PIP (the "PIP Deposit"). Only if BBI fails to close the
4 Transaction in accordance with the terms and timing of the APA, the sale of the Purchased
5 Assets to PIP pursuant to the terms of the asset purchase agreement provided to the Debtors by
6 PIP on Wednesday, October 25, 2017, as modified on the record at the Auction (the "PIP APA")
7 shall be deemed authorized and approved by this Sale Order. The Debtors shall forthwith
8 provide written notice to PIP (by email to PIP and its counsel) of such failure to close by BBI
9 (the "Back Up Bidder Notice"). The PIP Transaction contemplated by the PIP APA and other
10 Transaction Documents between the Debtors and PIP are deemed by the Court to have been
11 undertaken without collusion and in "good faith," as that term is defined in section 363(m) of the
12 Bankruptcy Code. PIP is a good faith purchaser within the meaning of section 363(m) of the
13 Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy
14 Code. Accordingly, the reversal or modification on appeal of the authorization provided herein by this
15 Sale Order to consummate the PIP Transaction shall not affect the validity of the sale of the Purchased
16 Assets to PIP. Only in the event that BBI fails to close the Transaction in accordance with the
17 terms and timing of the APA, all findings and terms of this Sale Order that apply to BBI shall be
18 deemed to apply to PIP, and all findings and terms of this Sale Order that apply to the APA or to
19 the Transaction shall be deemed to apply to the PIP APA and the PIP Transaction respectively,
20 without the need for any further order of the Court, provided, however, that in such event, and
21 notwithstanding anything to the contrary set forth herein (i) both the GGS Supplier Agreement and
22 the Grainger Supplier Agreement shall be deemed to be included in the definition of Currently
23 Identified Designated Contracts to be assumed by the Debtors and assigned to PIP in connection with
24 such Closing; (ii) paragraph 17 above and the last sentence of paragraph 13 above shall be deemed
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1 stricken from this Sale Order and of no further force or effect; and (iii) PIP may seek entry of an
2 amended Sale Order specifically authorizing the PIP Transaction. The Escrow Agent will refund the
3 PIP Deposit to PIP within five (5) business days following the earlier to occur of (i) the Closing
4 of the Transaction with BBI or (ii) the Debtors' failure to deliver a Back Up Bidder Notice on or
5 before November 20, 2017. If the Debtors deliver a Back Up Bidder Notice to PIP on or before
6 November 20, 2017, the PIP Deposit shall be applied to the Back Up Purchase Price to be paid
7 by PIP, forfeited to the Debtors as liquidated damages, or returned to PIP, in accordance with the
8 provisions of Articles II and XI of the PIP APA, provided, however, that the PIP APA shall be
9 deemed modified to provide that the "Outside Closing Date" shall mean the date which is
10 fourteen (14) business days following PIP's receipt of the Backup Bidder Notice.
11

12 29. Nothing in this Sale Order shall be construed to impair or limit in any way the rights
13 of the OCEH and the OCUC granted in the Final DIP Order.
14

15 30. The Debtors (including any successor in interest) and BBI shall make reasonable
16 efforts to retain and preserve all books, records, emails, and other documents relating to the
17 Debtors' business prior to the filing of the Bankruptcy Cases and shall provide the Securities and
18 Exchange Commission ("SEC") with reasonable access to all such documents during normal
19 business hours following receipt of not less than seventy-two (72) hours prior written notice from
20 the SEC. No party shall destroy or otherwise abandon any such documents or records without
21 providing the other party and the SEC at least 60 days' prior written notice of its intent to
22 abandon or destroy such materials, and a reasonable opportunity to obtain possession thereof.
23

24 31. In accordance with Section 8.4 of the APA, after the Closing, the Debtors are
25 authorized to change their names.

26 32. Upon the entry of this Sale Order, the Debtors are authorized and instructed to
27 return and deliver to Radians the \$1,000,000 deposit previously made by Radians under the
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1 Radians APA within one (1) business day of the entry of this Sale Order.

2 33. Following the date of entry of this Sale Order, the Debtors and BBI are
3 authorized to make immaterial changes to the APA without the need for any further of the Court
4 provided that all such changes have been approved in writing by the Debtors, BBI, the OCEH
5 and the OCUC. Any other changes to this Sale Order would require a further order of the Court.
6

EXHIBIT B

RON BENDER (SBN 143364)
MONICA Y. KIM (SBN 180139)
KRIKOR J. MESHEFEJIAN (SBN 255030)
LEVENE, NEALE, BENDER, YOO & BRILL L.L.P.
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Attorneys for Chapter 11 Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
SAN FERNANDO VALLEY DIVISION**

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a California corporation,

Debtor and Debtor in Possession.

In re:

IRONCLAD PERFORMANCE WEAR
CORPORATION, a Nevada corporation,

Debtor and Debtor in Possession.

☒ Affects both Debtors

☐ Affects Ironclad Performance Wear
Corporation, a California corporation only

☐ Affects Ironclad Performance Wear
Corporation, a Nevada corporation only

Lead Case No.: 1:17-bk-12408-MB
Jointly administered with:
1:17-bk-12409-MB
Chapter 11 Cases

**ORDER: (1) APPROVING SALE OF
SUBSTANTIALLY ALL OF THE
DEBTORS' ASSETS FREE AND
CLEAR OF ALL ENCUMBRANCES; (2)
APPROVING THE DEBTORS'
ASSUMPTION AND ASSIGNMENT OF
CERTAIN UNEXPIRED LEASES AND
EXECUTORY CONTRACTS AND
DETERMINING CURE AMOUNTS
AND APPROVING THE DEBTORS'
REJECTION OF UNEXPIRED LEASES
AND EXECUTORY CONTRACTS
WHICH ARE NOT ASSUMED; (3)
WAIVING THE 14-DAY STAY
PERIODS SET FORTH IN
BANKRUPTCY RULES 6004(h) AND
6006(d); AND (4) GRANTING
RELATED RELIEF**

DATE: October 30, 2017
TIME: 10:00 a.m.
PLACE: Courtroom "303"
21041 Burbank Blvd.
Woodland Hills, CA

1 A hearing was held on October 30, 2017 (the "Sale Hearing"), for
2 the Court to consider approval of the motion (the "Motion")¹ filed by Ironclad Performance
3 Wear Corporation, a California corporation, and Ironclad Performance Wear Corporation, a
4 Nevada corporation, the debtors and debtors-in-possession (collectively, the "Debtors") in the
5 above-captioned Chapter 11 bankruptcy cases (collectively, the "Bankruptcy Cases"), seeking an
6 order of the Court ("Sale Order") approving the Debtors' sale of substantially all of their assets
7 to Radians Wareham Holding, Inc. ("Radians") in accordance with the terms of the APA
8 ("Radians APA") attached as Exhibit "A" to the Declaration of Geoffrey Greulich filed on
9 September 11, 2017 as Docket Number 6 (the "Greulich Declaration") or to the highest or
10 otherwise best overbidder selected at the Auction (defined below) free and clear of all
11 Encumbrances (defined below). By way of the Motion, the Debtors also requested the Court's
12 approval of the Debtors' assumption and assignment to Radians (or the successful overbidder) of
13 those unexpired leases and executory contracts that Radians (or the successful overbidder)
14 wishes to have assigned to it and to reject the balance of such unexpired leases and executory
15 contracts effective as of the sale closing. All capitalized terms which are not defined in this Sale
16 Order shall be deemed to have the same definitions as set forth in the Asset Purchase Agreement
17 between Brighton-Best International, Inc. ("BBI") and the Debtors (the "APA"). All capitalized
18 terms which are not defined in either this Sale Order or in the APA shall have the definitions set
19 forth in the Motion.
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25 ¹ Concurrently with the hearing on the Motion, the Court also held a hearing on that certain
26 *Debtors' Motion For An Order: (1) Approving Debtors' Assumption And Assignment Of*
27 *Additional Executory Contracts And Determining Cure Amounts And Approving Of Debtors'*
28 *Rejection Of Those Executory Contracts Which Are Not Assumed And Assigned; (2) Waiving The*
14-Day Stay Period Set Forth In Bankruptcy Rule 6006(d); and (3) Granting Related Relief
[Docket No. 125] (the "Additional Contracts Motion"). References in this Sale Order to the
Motion include and incorporate the Additional Contracts Motion.

1 At a continued hearing held on September 25, 2017, the Court granted the Debtors' bid
2 procedures motion by order entered on September 28, 2017 as Docket Number 71 (the "Bidding
3 Procedures Order"). The Bidding Procedures Order was approved by the Debtors, Radians, the
4 Official Committee of Unsecured Creditors (the "OCUC") and the Official Committee of Equity
5 Holders (the "OCEH") that were appointed in these cases. The Bidding Procedures Order
6 explained to prospective overbidders how a prospective overbidder could become qualified to
7 participate in the Auction and how the Auction would proceed in the event that there was one or
8 more qualified overbidders.
9

10 In accordance with the Bidding Procedures Order, the Debtors conducted an Auction on
11 October 30, 2017. BBI was the winning bidder at the Auction with a purchase price of Twenty-
12 Five Million Two Hundred Fifty Thousand Dollars (\$25,250,000.00) (the "Purchase Price") to
13 be funded in the manner set forth below in this Sale Order. The Debtors, in consultation with the
14 OCUC and the OCEH, determined that the Purchase Price bid submitted by BBI at the Auction
15 (the "Winning Bid") was the highest and best bid submitted at the Action and should be
16 approved by the Court.
17

18 The Court, having considered the Motion and all pleadings filed by the Debtors in
19 support of the Motion and all pleadings filed in response to the Motion; the statements,
20 arguments and representations of the parties made at the Sale Hearing; and the entire record of
21 these cases; and the Court, having determined that the relief sought in the Motion is in the best
22 interests of the Debtors, their estates, their creditors and their shareholders, and that the legal and
23 factual bases set forth in the Motion and presented at the Sale Hearing establish just cause for the
24 relief granted herein; and all objections to the Motion, if any, having been withdrawn or overruled;
25 and after due deliberation and sufficient good cause appearing therefor,
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THE COURT HEREBY FINDS AND CONCLUDES THAT:²

A. Jurisdiction and Venue. The Bankruptcy Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter relates to the administration of the Debtors' bankruptcy estates and is accordingly a core proceeding pursuant to 28 U.S.C. § 157(b) (2) (A), (M), (N) and (O). Venue of these cases is proper in this District and in the Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory Predicates. The statutory predicates for the relief requested in the Motion are (i) Sections 105(a) and 363(b), (f), (k), (l) and (m), 365 of Title 11 of the United States Code (the "Bankruptcy Code"), (ii) Rules 2002(a)(2), 2002(c)(1) and (d), 6004 (a), (b), (c), (e), (f) and (h), 6006(a), (c) and (d), 9006, 9007, 9013 and 9014 of the Federal Rules of Bankruptcy Procedure, and (iii) Local Bankruptcy Local Rules 6004-1 and 9013-1.

C. Notice. The Debtors have provided good and sufficient notice with respect to the following: (i) the Motion and the relief sought therein, including the entry of this Sale Order and the transfer and sale of the Purchased Assets, (ii) the Auction and the Sale Hearing, (iii) the selection of the Winning Bid, and (iv) the assumption and assignment of the executory contracts and unexpired leases and proposed cure amounts owing under such executory contracts and unexpired leases ("Cure Amounts"); and no further notice of the Motion, the relief requested therein or the Sale Hearing is required. A reasonable opportunity to object and to be heard regarding the relief provided herein has been afforded to parties-in-interest.

D. Compliance with the Auction Procedures. The Auction process implemented by the Debtors was conducted in accordance with the Bidding Procedures Order and was fair, proper, and

² The findings of fact and conclusions of law set forth herein constitute the Bankruptcy Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to these proceedings by Bankruptcy Rule 9014. To the extent any of the following findings

1 reasonably calculated to result in the best value received for the Purchased Assets. The Auction
2 process afforded a full, fair, and reasonable opportunity for any party-in-interest to become a
3 qualified bidder and to participate in the Auction. As demonstrated by (i) the testimony and/or other
4 evidence proffered and adduced at the Sale Hearing and (ii) the representations of counsel made on
5 the record at the Sale Hearing, the Debtors have conducted the Auction process in good faith, without
6 collusion and in accordance with the Bidding Procedures Order.
7

8 E. Highest or Otherwise Best Bid. The Winning Bid constitutes the highest or otherwise
9 best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' estates than
10 would be provided by any other available alternative. The Debtors' determination that the Winning
11 Bid constitutes the highest or otherwise best offer for the Purchased Assets constitutes a reasonable,
12 valid and sound exercise of the Debtors' business judgment, and is in the best interests of the
13 Debtors, their estates, their creditors and their shareholders. The consideration to be paid by BBI for
14 the Purchased Assets is fair and reasonable, is the highest or otherwise best offer therefor, and
15 constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the
16 Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act, and the laws of the
17 United States.
18

19 F. Arm's Length Transaction. The APA and other documents and instruments (the
20 "Transaction Documents") related to and connected with this transaction (the "Transaction") and the
21 consummation thereof were negotiated and entered into by the Debtors and BBI without collusion, in
22 good faith and through an arm's length bargaining process. Neither BBI nor any of its affiliates or
23 representatives is an "insider" of the Debtors, as that term is defined in section 101(31) of the
24 Bankruptcy Code. None of the Debtors, BBI, or their respective representatives engaged in any
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28 constitute conclusions of law, they are adopted as such. To the extent any of the following
conclusions of law constitute findings of fact, they are adopted as such.

1 conduct that would cause or permit the APA, any of the other Transaction Documents or the
2 Transaction to be avoided under section 363(n) of the Bankruptcy Code, or have acted in any
3 improper or collusive manner. The terms and conditions of the APA and the other Transaction
4 Documents, including, without limitation, the consideration provided in respect thereof, are fair and
5 reasonable, and are not avoidable and shall not be avoided, and no damages may be assessed against
6 BBI or any other party, as set forth in section 363(n) of the Bankruptcy Code.
7

8 G. Good Faith Purchaser. BBI has proceeded in good faith and without collusion in all
9 respects in connection with the sale process, in that: (i) BBI, in proposing and proceeding with the
10 Transaction in accordance with the APA, recognized that the Debtors were free to deal with other
11 interested parties; (ii) BBI agreed to provisions in the APA that would enable the Debtors to accept a
12 higher and better offer; (iii) BBI complied with all of the provisions in the Auction and the Bidding
13 Procedures Order applicable to BBI; (iv) all payments to be made by BBI and other agreements
14 entered into or to be entered into between BBI and the Debtors in connection with the Transaction
15 have been disclosed; (v) the negotiation and execution of the APA and related Transaction
16 Documents were conducted in good faith and constituted an arm's length transaction; and (vi) the
17 APA was not entered into, and the Transaction being consummated pursuant to and in accordance
18 with the APA is not being consummated, for the purpose of hindering, delaying or defrauding
19 creditors of the Debtors. BBI is therefore entitled to all of the benefits and protections provided to a
20 good-faith purchaser under section 363(m) of the Bankruptcy Code. Accordingly, the reversal or
21 modification on appeal of the authorization provided herein to consummate the Transaction shall not
22 affect the validity of the Transaction or BBI's status as a "good faith" purchaser.
23
24

25 H. Justification for Relief. Good and sufficient reasons for approval of the APA and the
26 other Transaction Documents and the Transaction have been articulated to the Bankruptcy Court in
27 the Motion and at the Sale Hearing, and the relief requested in the Motion and set forth in this Sale
28

1 Order is in the best interests of the Debtors, their estates, their creditors and their shareholders. The
2 Debtors have demonstrated through the Motion and other evidence submitted at the Sale Hearing
3 both (i) good, sufficient and sound business purpose and justification and (ii) compelling
4 circumstances for the transfer and sale of the Purchased Assets as provided in the APA outside the
5 ordinary course of business, and such action is an appropriate exercise of the Debtors' business
6 judgment and in the best interests of the Debtors, their estates, their creditors and their shareholders.
7

8 I. Free and Clear. In accordance with sections 363(b) and 363(f) of the Bankruptcy
9 Code, the consummation of the Transaction pursuant to the Transaction Documents will be a legal,
10 valid, and effective transfer and sale of the Purchased Assets and will vest in BBI, through the
11 consummation of the Transaction, all of the Debtors' right, title, and interest in and to the Purchased
12 Assets, free and clear of all liens, claims, encumbrances, and other interests of any kind or nature
13 whatsoever (collectively, "Encumbrances"). The Debtors have demonstrated that one or more of the
14 standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. All holders
15 of Encumbrances in the Purchased Assets are adequately protected by having their respective
16 Encumbrances attach to the net sale proceeds attributable to the Purchased Assets to the extent any
17 such Encumbrances existed as of the Petition Date and subject to the terms of such Encumbrances
18 with the same validity, force and effect, and in the same order of priority, which such Encumbrances
19 had against the Purchased Assets as of the Petition Date, subject to any rights, claims and defenses
20 the Debtors or their estates may possess with respect thereto.
21
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23 J. Prompt Consummation. The Debtors have demonstrated good and sufficient cause to
24 waive the stay requirement under Bankruptcy Rules 6004(h) and 6006(d). Time is of the essence in
25 consummating the Transaction, and it is in the best interests of the Debtors and their estates to
26 consummate the Transaction within the timeline set forth in the Motion and the APA.
27
28

1 K. Assumption of Executory Contracts and Unexpired Leases. The Debtors have
2 demonstrated that it is an exercise of their sound business judgment to assume and assign to BBI the
3 Currently Identified Designated Contracts (as defined and identified in paragraph 14 below) and to
4 the extent subsequently identified by BBI pursuant to paragraph 15 below, the Subsequently
5 Identified Designated Contracts (as defined in paragraph 15 below) (the Currently Identified
6 Designated Contracts and the Subsequently Identified Contracts are collectively referred to herein as
7 the “Designated Contracts”) in connection with the consummation of the Transaction, and the
8 assumption and assignment of the Designated Contracts is in the best interests of the Debtors and
9 their estates.
10

11 L. Cure/Adequate Assurance. Through the payments to be made at the Closing, BBI
12 will have cured, or will have provided adequate assurance of cure upon Closing, of any default
13 existing prior to the Closing under any of the Designated Contracts, within the meaning of 11 U.S.C.
14 § 365(b)(1)(A), by payment of the amounts and in the manner set forth below. BBI has provided or
15 will provide adequate assurance of future performance of and under the Designated Contracts within
16 the meaning of 11 U.S.C. § 365(b)(1)(C). Pursuant to 11 U.S.C. § 365(f), the Designated Contracts
17 to be assumed by the Debtors and assigned to BBI under the APA shall be assigned and transferred
18 to, and remain in full force and effect for the benefit of, BBI notwithstanding any provision in such
19 Designated Contracts prohibiting their assignment or transfer. The Debtors have demonstrated that
20 no other parties to any of the Designated Contracts has incurred any actual pecuniary loss resulting
21 from a default prior to the Closing under any of the Designated Contracts within the meaning of 11
22 U.S.C. § 365(b)(1)(B). Pursuant to 11 U.S.C. § 365(f), the Designated Contracts to be assumed by
23 the Debtors and assigned to BBI at the Closing shall be assigned and transferred to, and remain in
24 full force and effect for the benefit of, BBI notwithstanding any provision in such contracts or other
25 restrictions prohibiting their assignment or transfer.
26
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28

1 M. Rejection of Executory Contracts and Unexpired Leases. The Debtors have
2 demonstrated that it is an exercise of their sound business judgment to reject all of their executory
3 contracts and unexpired leases which are not part of the Designated Contracts effective as of the
4 Closing, subject only to that set forth in paragraph 28 below.

5
6 N. Legal and Factual Bases. The legal and factual bases set forth in the Motion and at
7 the Sale Hearing establish just cause for the relief granted herein.

8 **NOW THEREFORE, IT IS HEREBY ORDERED THAT:**

9 1. The relief requested in the Motion is GRANTED and APPROVED in all respects to
10 the extent provided herein.

11 2. All objections with regard to the relief sought in the Motion that have not been
12 withdrawn, waived, settled, or otherwise dealt with as expressly provided herein and in the Bidding
13 Procedures Order, and all reservation of rights included in such objections, are overruled on the merits
14 with prejudice.

15
16 3. Pursuant to sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code, the
17 Transaction, including the transfer and sale of the Purchased Assets to BBI on the terms set forth in
18 the APA, a copy of which is attached hereto as Exhibit "1", is approved in all respects, and the
19 Debtors are authorized and directed to consummate the Transaction in accordance with the APA,
20 including, without limitation, by executing all of the Transaction Documents and taking all actions
21 necessary and appropriate to effectuate and consummate the Transaction (including the transfer and
22 sale of the Purchased Assets) in consideration of the Purchase Price upon the terms set forth in the
23 APA, including, without limitation, assuming and assigning to BBI the Designated Contracts. The
24 Debtors and BBI shall have the right to make any mutually agreeable, non-material changes to the
25 APA which shall be in writing signed by both parties without further order of the Court and provided
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27
28

1 that the ~~OCEH~~ OCEH and the OCUC do not object to such changes. Any objection by the
2 OCEH or the OCUC to any such changes will be resolved by the Court.

3 4. As of the Closing, (i) the Transaction set forth in the APA shall effect a legal, valid,
4 enforceable and effective transfer and sale of the Purchased Assets to BBI free and clear of all
5 Encumbrances, as further set forth in the APA and this Sale Order; and (ii) the APA, and the other
6 Transaction Documents, and the Transaction, shall be enforceable against and binding upon, and not
7 subject to rejection or avoidance by, the Debtors, any successor thereto including a trustee or estate
8 representative appointed in the Bankruptcy Cases, and all other persons and entities.
9

10 5. Subject to the fulfillment of the terms and conditions of the APA, this Sale Order
11 shall, as of the Closing, be considered and constitute for all purposes a full and complete general
12 assignment, conveyance, and transfer of the Purchased Assets and/or a bill of sale transferring all of
13 the Debtors' rights, title and interest in and to the Purchased Assets to BBI. Consistent with, but not in
14 limitation of the foregoing, each and every federal, state, and local governmental agency or
15 department is hereby authorized and directed to accept all documents and instruments necessary and
16 appropriate to consummate the transactions contemplated by the APA and approved in this Sale
17 Order.
18

19 6. Any person or entity that is currently, or on the Closing Date may be, in possession of
20 some or all of the Purchased Assets is hereby directed to surrender possession of such Purchased
21 Assets either to (a) the Debtors before the Closing or (b) to BBI or its designee upon the Closing.
22

23 7. The transfer of the Purchased Assets pursuant to the Transaction Documents is a
24 legal, valid, and effective transfer and shall, in accordance with sections 105(a) and 363(f) of the
25 Bankruptcy Code, and upon consummation of the Transaction, including, without limitation, payment
26 of the Purchase Price to the Debtors, vest BBI with all right, title, and interest in the Purchased Assets,
27 free and clear of all Encumbrances.
28

1 8. Following the Closing, no holder of any Encumbrance against the Debtors or the
2 Purchased Assets shall interfere with BBI's respective rights in, title to or use and enjoyment of the
3 Purchased Assets. All valid and perfected Encumbrances in the Purchased Assets shall attach to the
4 net Purchase Price proceeds attributable to the Purchased Assets immediately upon receipt of such
5 Purchase Price proceeds by the Debtors in the order of priority, and with the same validity, force and
6 effect, which such Encumbrances had against such Purchased Assets as of the filing of the Bankruptcy
7 Cases, subject to any rights, claims and defenses the Debtors and their estates may possess with
8 respect thereto.
9

10 9. BBI shall not be deemed, as a result of any action taken in connection with, or as a
11 result of the Transaction (including the transfer and sale of the Purchased Assets), to: (i) be a
12 successor, continuation or alter ego (or other such similarly situated party) to the Debtors or their
13 estates by reason of any theory of law or equity, including, without limitation, any bulk sales law,
14 doctrine or theory of successor liability, or similar theory or basis of liability; or (ii) have, de facto or
15 otherwise, merged with or into the Debtors; or (iii) be a mere continuation, alter ego, or substantial
16 continuation of the Debtors. Other than the Assumed Liabilities, BBI is not assuming any of the
17 Debtors' debts.
18

19 10. This Sale Order (i) shall be effective as a determination that, on Closing, all
20 Encumbrances existing against the Purchased Assets before the Closing have been unconditionally
21 released, discharged and terminated, and that the transfers and conveyances described herein have
22 been effected, and (ii) shall be binding upon and shall govern the acts of all persons and entities. If
23 any person or entity that has filed financing statements or other documents or agreements evidencing
24 any Encumbrances against the Purchased Assets shall not have delivered to the Debtors before the
25 Closing, in proper form for filing and executed by the appropriate parties, termination statements,
26 instruments of satisfaction, releases of all Encumbrances which the person or entity has with respect to
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1 the Purchased Assets, then BBI and/or the Debtors are hereby authorized to execute and file such
2 statements, instruments, releases and other documents on behalf of the person or entity with respect to
3 such Purchased Assets.
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7 11. In accordance with the Bidding Procedures Order, concurrently with the Closing, the
8 Escrow Agent shall pay to Radians out of the Purchase Price (i) the full amount of Radians' pre-
9 bankruptcy secured debt, plus (ii) the full amount then drawn by the Debtors against the DIP Facility
10 (collectively, the "Radians Payoff Amount"), plus (iii) the Breakup Fee of \$500,000.00. As of
11 October 31, 2017, the Radians Payoff Amount is \$4,813,780.79. Interest accrues on the Radians
12 Payoff Amount from and after October 31, 2017 at a daily per diem of \$2,011.28 until paid. The
13 payment to Radians at the Closing in the amount of the Radians Payoff Amount, including accrued
14 interest from and after October 31, 2017, and the Breakup Fee out of the Purchase Price shall
15 constitute a complete satisfaction of all outstanding indebtedness owing by the Debtors to Radians.
16 ~~Following the Closing, Radians shall no longer have any allowed claim against the Debtors or their~~
17 ~~bankruptcy estates, and all funds that are part~~ as of date of payment, and extinguishment of the pre and
18 post-petition liens and security interests on the Purchased Assets of the Debtors' bankruptcy estates
19 ~~shall be free and clear of any lien or claim of~~ as granted to Radians. Radians hereby authorizes BBI to
20 file UCC termination statements with respect to all recorded liens by Radians or Radians' predecessor
21 from whom Radians purchased its pre-bankruptcy secured debt. Nothing in this Sale Order shall be
22 construed to impair or limit in any way the rights of Radians granted in the Final Order: (I)
23 Authorizing The Debtors To (A) Obtain Postpetition Financing Pursuant To 11 U.S.C. §§ 105, 361,
24 362 And 364, And (B) Utilize Cash Collateral Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; (II)
25 Granting Adequate Protection Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; And (III) Granting
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Related Relief (the “Final DIP Order”), except that following the Closing Radians shall have no Encumbrance on or against any of the Purchased Assets (with Radians’ Encumbrances to transfer to the net Purchase Price proceeds as set forth below in this paragraph 11). Radians reserves all rights and remedies as granted to it under the pre-petition Loan Documents and the DIP Agreement to assert possible claims for additional fees and expenses incurred by Radians against the Debtors’ bankruptcy estates to the extent Radians is entitled to them under the Loan Documents and the DIP Agreement resulting from an action, threatened action or discovery brought against Radians with all parties reserving all rights. The OCEH and OCUC reserve any and all rights to challenge any claims asserted by Radians for additional fees and expenses. Until such time that the deadline for any claims to be asserted against Radians set forth in the Final DIP Order passes with no such claims asserted, or claims are asserted and are resolved to final order of the Court, Radians valid and perfected Encumbrances in the Purchased Assets for any additional fees and expenses as referenced above shall attach to the net Purchase Price proceeds attributable to the Purchased Assets immediately upon receipt of such Purchase Price proceeds by the Debtors in the same order of priority, and with the same validity, force and effect, which such Encumbrances had against such Purchased Assets as of the filing of the Bankruptcy Cases, subject to any rights, claims and defenses the Debtors and their estates and/or the OCEH and OCUC may possess with respect thereto.

12. BBI shall fund the payment of the Purchase Price at the Closing by (i) wire transferring into a segregated trust account (the “Trust Account”) maintained by Levene, Neale, Bender, Yoo & Brill L.L.P. (“Escrow Agent”), which shall serve as the Escrow Agent for this Transaction, the amount of Twenty-Four Million Two Hundred Fifty Thousand Dollars (\$24,250,000.00) and (ii) by transferring title to the One Million Dollar (\$1,000,000.00) deposit that BBI previously provided to the Escrow Agent (the “BBI Deposit”) to the Debtors. The

1 Trust Account shall be maintained by Escrow Agent at First Republic Bank unless otherwise
2 ordered by the Court.

3 13. Concurrently with the Closing or as soon thereafter as is possible, the Escrow Agent
4 shall pay out of the Purchase Price the following amounts to the following parties (collectively, the
5 “Designated Cure Amounts”):
6

7 Nantong Changbang Gloves Co. - \$1,228,307.56

8 Woneel Midas Leathers - \$785,358.50

9 Mercindo Global Manufaktur - \$444,674.64

10 Marusan – Mimasu Tshusho Co. Ltd. - \$382,811.28

11 Grainger - \$180,000.00 (the “Grainger Cure Payment”)

12 Advantage Media Services - \$178,522.75

13 PT JJ Gloves Indo - \$162,917.76

14 PT Sport Glove Indonesia - \$144,238.66

15 Windspeed Sports Shanghai Co., Ltd. - \$144,198.43

16 Ka Hung Glove Industrial Co. Ltd. - \$38,934.90

17 Synetra - \$37,972.33

18 AML United Limited - \$28,330.56

19 1920 Hutton Court - \$13,257.09

20 PT Seok HWA Indonesia - \$13,174.86

21 Design Gallery (Pvt.) Ltd. - \$12,801.60

22 Desun Garments, Ltd. - \$7,691.75

23 Konica Minolta - \$1,152.31

24 Pitney Bowes - \$452.99

1 Notwithstanding the inclusion of the Grainger Cure Payment on the above list of Designated Cure
2 Payments, and for the avoidance of doubt, neither the GGS Supplier Agreement nor the Grainger
3 Supplier Agreement shall be considered Designated Contracts or Currently Identified Designated
4 Contracts, and the Debtors are not assuming or assuming and assigning to BBI the GGS Supplier
5 Agreement or the Grainger Supplier Agreement.
6

7 14. To the extent that any of the contracts and/or leases, not including the GGS Supplier
8 Agreement and the Grainger Supplier Agreement, which give rise to the Designated Cure Amounts in
9 paragraph 13 above (the "Currently Identified Designated Contracts") are executory contracts or
10 unexpired leases (over which the Court is not making any such determination at this time), then in
11 connection with the Closing, the Debtors shall be deemed to have assumed all such Currently
12 Identified Designated Contracts (so that they are deemed part of the Designated Contracts) and to have
13 assigned them to BBI, and BBI shall have assumed all obligations owing under all such Currently
14 Identified Designated Contracts following the Closing. In the event that the Court ultimately
15 determines that any such counter-parties to the Currently Identified Designated Contracts (the
16 "Currently Identified Designated Contract Counter-Parties") have an allowed claim against the
17 Debtors which exceeds the Designated Cure Amounts, the difference will be paid by the Escrow
18 Agent out of the Purchase Price and shall not be the responsibility of BBI. The Court shall resolve
19 any and all disputes which may arise between the Debtors, BBI and any of the Currently Identified
20 Designated Contract Counter-Parties over whether the Currently Identified Designated Contracts are
21 executory contracts or unexpired leases and whether any of the Currently Identified Designated
22 Contract Counter-Parties are entitled to an allowed claim against the Debtors which exceeds the
23 Designated Cure Amounts.
24
25

26 15. All of the Currently Identified Designated Contracts, to the extent they are executory
27 contracts or unexpired leases, shall be part of the Designated Contracts that will be assumed by the
28

1 Debtors and assigned to BBI at the Closing. In the event that BBI elects to add any other of the
2 Debtors' executory contracts or unexpired leases to the list of Designated Contracts ("Subsequently
3 Identified Designated Contracts"), BBI must file a notice with the Court at least three business days
4 prior to the Closing identifying all such Subsequently Identified Designated Contracts and serving
5 such notice by over-night mail on all counter-parties to the Subsequently Identified Designated
6 Contracts ("Subsequently Identified Designated Contract Counter-Parties"). All Subsequently
7 Identified Designated Contracts shall be assumed by the Debtors and assigned to BBI at the Closing,
8 with BBI to be obligated to pay all cure amounts owing to such Subsequently Identified Designated
9 Contract Counter-Parties (the "BBI Cure Amounts") concurrently with the Closing unless there is a
10 dispute over the amount of any such BBI Cure Amounts, with the Court to resolve any such disputes.
11 The payment by BBI of such BBI Cure Amounts will be in addition to the Purchase Price.
12

13
14 16. Other than the Radians Payoff Amount, the Breakup Fee, and the Designated Cure
15 Amounts, all of which shall be paid in full by the Escrow Agent in connection with the Closing, then
16 notwithstanding anything contained in any prior order of the Court, the Escrow Agent shall maintain
17 the remaining balance of the Purchase Price in the Trust Account pending further order of the Court.

18 17. In addition to the payment of the Purchase Price, in connection with the Closing, BBI
19 shall wire transfer to the Escrow Agent the additional amount of Eight Hundred Twenty Thousand
20 Dollars (\$820,000.00) (the "Supplemental Payment") which Escrow Agent shall maintain in a
21 segregated trust account separate from the Trust Account (the "Separate Trust Account") pending
22 further order of the Court. Except as set forth solely with respect to PIP and the PIP APA (as each is
23 defined in paragraph 28 below), (i) the Supplier Agreement dated November 9, 2015 (the "GGS
24 Supplier Agreement") entered into between the Debtors and Grainger Global Sourcing a division
25 of Grainger International, Inc. ("GGS"), and (ii) that certain "Third Amendment to Terms and
26 Conditions to Supplier Agreement By and Between Ironclad Performance Wear Corp. and W.W.
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1 Grainger, Inc. dated November 15, 2015, which amended the terms and conditions of that certain
2 Supplier Agreement dated January 1, 2006 (the "Grainger Supplier Agreement") entered into
3 between the Debtors and W.W. Grainger, Inc. ("Grainger") are not Designated Contracts and are
4 not being assumed by the Debtors and are not being assigned to BBI. The funds in the Separate
5 Trust Account are to be used solely to pay any damage claim to the extent allowed by the Court
6 in favor of GGS resulting from the Debtors' rejection of the GGS Supplier Agreement and/or
7 allowed by the Court in favor of Grainger resulting from the Debtors' rejection of the Grainger
8 Supplier Agreement after taking into account the Grainger Cure Payment (collectively, the
9 "Final Grainger Claim"). If the Final Grainger Claim exceeds One Million Dollars (\$1,000,000)
10 (inclusive of the \$180,000 Grainger Cure Payment), the Final Grainger Claim will be fully
11 satisfied by payment to Grainger of (i) the \$180,000 Grainger Cure Payment to be paid to
12 Grainger by the Escrow Agent at the Closing, plus (ii) the \$820,000 Supplemental Payment to be
13 maintained in the Separate Trust Account to be paid to Grainger and/or GGS (as ordered by the
14 Court or as agreed to by the parties) by the Escrow Agent following the entry of an order of the
15 Court allowing the Final Grainger Claim and such order becoming a final order, plus (iii) any
16 excess to be paid by the Escrow Agent to Grainger and/or GGS (as ordered by the Court or as
17 agreed to by the parties) from the Purchase Price following the entry of an order of the Court
18 allowing the Final Grainger Claim and such order becoming a final order ("Excess Grainger
19 Amount") and the entry of a further order of the Court authorizing payment of any such Excess
20 Grainger Amount. If the Final Grainger Claim (inclusive of the \$180,000 Grainger Cure
21 Payment) equals or is less than One Million Dollars (\$1,000,000.00), (a) the Final Grainger
22 Claim will be fully satisfied by payment to Grainger of (i) the \$180,000 Grainger Cure Payment
23 to be paid to Grainger by the Escrow Agent at the Closing, plus (ii) an amount from the \$820,000
24 Supplemental Payment maintained in the Separate Trust Account which when added to the
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1 \$180,000 Grainger Cure Payment equals the total Final Grainger Claim to be paid to Grainger
2 and/or GGS (as ordered by the Court or as agreed to by the parties) by the Escrow Agent
3 following the entry of an order of the Court allowing the Final Grainger Claim and such order
4 becoming a final order; and (b) promptly after the payment above to Grainger and/or GGS (as
5 ordered by the Court or as agreed to by the parties) has been made in satisfaction of the Final
6 Grainger Claim, the Escrow Agent shall cause the balance in the Separate Trust Account, if any,
7 to be paid promptly to BBI. The Debtors and BBI shall work cooperatively and in good faith,
8 including following the Closing, in a joint effort to minimize the Final Grainger Claim with the
9 Court to resolve any differences between the Debtors and BBI in this regard. The Debtors, BBI,
10 the OCEH and the OCUC shall jointly determine, ~~with input from BBI and the OCEH,~~ the
11 timing of the Debtors' rejection of the GGS Supplier Agreement and the Grainger Supplier
12 Agreement, which may occur after the Closing if doing so will help to minimize the Final
13 Grainger Claim. Any such rejection of the GGS Supplier Agreement and the Grainger Supplier
14 Agreement will happen only following the entry of an order of the Court approving such
15 rejection. The Court will resolve any differences between the Debtors and BBI over the timing
16 of the rejection of the GGS Supplier Agreement and the Grainger Supplier Agreement. The
17 Debtors may not assume or assume and assign either the GGS Supplier Agreement and/or the
18 Grainger Supplier Agreement (or assign any rights under either the GGS Supplier Agreement
19 and/or the Grainger Supplier Agreement) without the prior written consent of BBI, which BBI
20 has the right to withhold in its sole and absolute discretion for any reason.

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24 18. Upon the Closing, the Debtors are authorized and directed to assume, assign and/or
25 transfer each of the Designated Contracts to BBI, including the Currently Identified Designated
26 Contracts and any Subsequently Identified Designated Contracts. At the Closing, the Escrow Agent
27 shall pay out of the Purchase Price to all Currently Identified Designated Contract Counter-Parties and
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1 to Grainger the Designated Cure Amounts identified in paragraph 13 above, and payment of such
2 Designated Cure Amounts by the Escrow Agent to all such Currently Identified Designated
3 Contract Counter-Parties are deemed the necessary and sufficient amounts to "cure" all "defaults"
4 with respect to all such Currently Identified Designated Contracts under section 365(b) of the
5 Bankruptcy Code. The payment by the Escrow Agent of such Designated Cure Amounts to all such
6 Currently Identified Designated Contract Counter-Parties shall (i) effect a cure of all defaults existing
7 under all such Currently Identified Designated Contracts, and (ii) compensate all such Currently
8 Identified Designated Contract Counter-Parties for any actual pecuniary loss resulting from any such
9 default. At the Closing, BBI shall pay (which payment(s) shall be in addition to the Purchase Price) to
10 all Subsequently Identified Designated Contract Counter-Parties the BBI Cure Amounts, and
11 payment of such BBI Cure Amounts by BBI to all such Subsequently ~~Identified~~Identified
12 Designated Contract Counter-Parties are deemed the necessary and sufficient amounts to "cure" all
13 "defaults" with respect to all such Subsequently Identified Designated Contracts under section 365(b)
14 of the Bankruptcy Code. The payment by BBI of such BBI Cure Amounts to all such Subsequently
15 Identified Designated Contract Counter-Parties shall (i) effect a cure of all defaults existing under all
16 such Subsequently Identified Designated Contracts, and (ii) compensate such Subsequently Identified
17 Designated Contract Counter-Parties for any actual pecuniary loss resulting from any such default.
18 The Debtors shall then have assumed and assigned to BBI, effective as of the Closing, all of the
19 Designated Contracts (comprised of both all Currently Identified Designated Contracts and all
20 Subsequently Identified Designated Contracts, if any), and, pursuant to section 365(f) of the
21 Bankruptcy Code, the assignment by the Debtors of all such Designated Contracts to BBI shall not be
22 a default thereunder. After the payment of the Designated Cure Amounts by the Escrow Agent to the
23 Currently Identified Designated Contract Counter-Parties, neither the Debtors nor BBI shall have any
24 further liabilities to any Currently ~~Identified~~Identified Designated Contract Counter-Parties other
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1 than BBI's obligations under the Currently Identified Designated Contracts that accrue and become
2 due and payable on or after the Closing Date. After the payment of the BBI Cure Amounts by BBI to
3 the Subsequently Identified Designated Contract Counter-Parties, neither the Debtors nor BBI shall
4 have any further liabilities to any Subsequently ~~Identified~~Identified Designated Contract Counter-
5 Parties other than BBI's obligations under the Subsequently Identified Designated Contracts that
6 accrue and become due and payable on or after the Closing Date. In addition, adequate assurance of
7 future performance has been demonstrated by or on behalf of BBI with respect to all of the Designated
8 Contracts within the meaning of sections 365(b)(1)(c), 365(b)(3) (to the extent applicable) and
9 365(f)(2)(B) of the Bankruptcy Code.
10

11 19. All of the Currently Identified Designated Contract Counter-Parties and all of
12 Subsequently Identified Designated Contract Counter-Parties are forever barred, estopped, and
13 permanently enjoined from (i) raising or asserting against the Debtors or BBI, or any of their property,
14 any assignment fee, acceleration, default, breach, or claim of pecuniary loss, or condition to
15 assignment, arising under or related to the Designated Contracts, existing as of the Closing, or arising
16 by reason of the consummation of the Transaction contemplated by the APA, including, without
17 limitation, the Transaction and the assumption and assignment of the Designated Contracts, including
18 any asserted breach relating to or arising out of the change-in-control provisions in such Designated
19 Contracts, or any purported written or oral modification to the Designated Contracts and (ii) asserting
20 against BBI any claim, counterclaim, breach, or condition asserted or assertable against the Debtors
21 existing as of the Closing or arising by reason of the transfer of the Purchased Assets, except for the
22 Assumed Liabilities.
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25 20. Any provisions in any Designated Contracts that prohibit or condition the assignment
26 of such Designated Contract or allow the counterparty to such Designated Contract to terminate,
27 recapture, impose any penalty, condition on renewal or extension or modify any term or condition
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1 upon the assignment of such Designated Contract constitute unenforceable anti-assignment provisions
2 that are void and of no force and effect with respect to the Debtors' assumption and assignment of
3 such Designated Contract to BBI in accordance with the APA.

4 21. The terms and provisions of this Sale Order, as well as the rights granted under the
5 Transaction Documents, shall continue in full force and effect and are binding upon any successor,
6 reorganized Debtors, or chapter 7 or chapter 11 trustee applicable to the Debtors, notwithstanding any
7 such conversion, dismissal or order entry. Nothing contained in any chapter 11 plan confirmed in the
8 Bankruptcy Cases or in any order confirming such a plan, nor any order dismissing the Bankruptcy
9 Cases or converting the Bankruptcy Cases to a case under chapter 7 of the Bankruptcy Code, shall
10 conflict with or derogate from the provisions of the APA, any documents or instruments executed in
11 connection therewith, or the terms of this Sale Order. The provisions of this Sale Order and any
12 actions taken pursuant hereto shall survive any conversion or dismissal of the Bankruptcy Case and
13 the entry of any other order that may be entered in the Bankruptcy Cases, including any order (i)
14 confirming any plan of reorganization; (ii) converting the Bankruptcy Case from chapter 11 to
15 chapter 7; (iii) appointing a trustee or examiner in the Bankruptcy Case; or (iv) dismissing the
16 Bankruptcy Cases.

17 22. The Transaction contemplated by the APA and other Transaction Documents are
18 undertaken without collusion and in "good faith," as that term is defined in section 363(m) of the
19 Bankruptcy Code. BBI is a good faith purchaser within the meaning of section 363(m) of the
20 Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy
21 Code. Accordingly, the reversal or modification on appeal of the authorization provided herein by this
22 Sale Order to consummate the Transaction shall not affect the validity of the sale of the Purchased
23 Assets to BBI.

1 23. The failure to specifically include any particular provision of the APA or the other
2 Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such
3 provisions, it being the intent of the Bankruptcy Court that the Transaction, the APA and the other
4 Transaction Documents be authorized and approved in their entirety. Likewise, all of the provisions
5 of this Sale Order are non-severable and mutually dependent.
6

7 24. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062, or 9014, if applicable, or
8 any other Local Bankruptcy Rule or otherwise, this Sale Order shall not be stayed for 14-days after the
9 entry hereof, but shall be effective and enforceable immediately upon entry pursuant to Bankruptcy
10 Rule 6004(h) and 6006(d). Time is of the essence in approving the Transaction (including the transfer
11 and the sale of the Purchased Assets).
12

13 25. The automatic stay pursuant to section 362 is hereby lifted with respect to the Debtors
14 to the extent necessary, without further order of the Bankruptcy Court, to (i) allow BBI to deliver any
15 notice provided for in the APA and Transaction Documents and (ii) allow BBI to take any and all
16 actions permitted under the APA and Transaction Documents in accordance with the terms and
17 conditions thereof.
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19 26. Unless otherwise provided in this Sale Order, to the extent any inconsistency exists
20 between the provisions of the APA and this Sale Order, the provisions contained in this Sale Order
21 shall govern.
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23 27. The Bankruptcy Court shall retain exclusive jurisdiction to interpret, construe, and
24 enforce the provisions of the APA and this Sale Order in all respects, and further, including, without
25 limitation, to (i) hear and determine all disputes between the Debtors and/or BBI, as the case may be,
26 and any other non-Debtor party to, among other things, the Designated Contracts concerning, among
27 other things, assignment thereof by the Debtors to BBI and any dispute between BBI and the Debtors
28 as to their respective obligations with respect to any asset, liability, or claim arising hereunder; (ii)

1 compel delivery of the Purchased Assets to BBI free and clear of Encumbrances; (iii) compel the
2 delivery of the Purchase Price or performance of other obligations owed to the Debtors; (iv) interpret,
3 implement, and enforce the provisions of this Sale Order; and (v) protect BBI against (A) claims made
4 related to any of the Excluded Liabilities, (B) any claims of successor or vicarious liability (or similar
5 claims or theories) related to the Purchased Assets or the Designated Contracts, or (C) any
6 Encumbrances asserted on or against BBI or the Purchased Assets.
7

8 28. Protective Industrial Products, Inc. ("PIP") is hereby approved as the back-up
9 bidder with a back-up bid of Twenty-Five Million Dollars (\$25,000,000.00) (the "Back Up
10 Purchase Price"). If BBI fails to close the Transaction in accordance with the terms and timing
11 of the APA, BBI shall be deemed to have forfeited the BBI Deposit to the Debtors' bankruptcy
12 estates as liquidated damages, with the Court to resolve any dispute in this regard between the
13 Debtors and BBI. The Escrow Agent will continue to hold the One Million Dollar deposit
14 provided to the Escrow Agent by PIP (the "PIP Deposit"). Only if BBI fails to close the
15 Transaction in accordance with the terms and timing of the APA, the sale of the Purchased
16 Assets to PIP pursuant to the terms of the asset purchase agreement provided to the Debtors by
17 PIP on Wednesday, October 25, 2017, as modified on the record at the Auction (the "PIP APA")
18 shall be deemed authorized and approved by this Sale Order. The Debtors shall forthwith
19 provide written notice to PIP (by email to PIP and its counsel) of such failure to close by BBI
20 (the "Back Up Bidder Notice"). The PIP Transaction contemplated by the PIP APA and other
21 Transaction Documents between the Debtors and PIP are deemed by the Court to have been
22 undertaken without collusion and in "good faith," as that term is defined in section 363(m) of the
23 Bankruptcy Code. PIP is a good faith purchaser within the meaning of section 363(m) of the
24 Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy
25 Code. Accordingly, the reversal or modification on appeal of the authorization provided herein by this
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1 Sale Order to consummate the PIP Transaction shall not affect the validity of the sale of the Purchased
2 Assets to PIP. Only in the event that BBI fails to close the Transaction in accordance with the
3 terms and timing of the APA, all findings and terms of this Sale Order that apply to BBI shall be
4 deemed to apply to PIP, and all findings and terms of this Sale Order that apply to the APA or to
5 the Transaction shall be deemed to apply to the PIP APA and the PIP Transaction respectively,
6 without the need for any further order of the Court, provided, however, that in such event, and
7 notwithstanding anything to the contrary set forth herein (i) both the GGS Supplier Agreement and
8 the Grainger Supplier Agreement shall be deemed to be included in the definition of Currently
9 Identified Designated Contracts to be assumed by the Debtors and assigned to PIP in connection with
10 such Closing; (ii) paragraph 17 above and the last sentence of paragraph 13 above shall be deemed
11 stricken from this Sale Order and of no further force or effect; and (iii) PIP may seek entry of an
12 amended Sale Order specifically authorizing the PIP Transaction. The Escrow Agent will refund the
13 PIP Deposit to PIP within five (5) business days following the earlier to occur of (i) the Closing
14 of the Transaction with BBI or (ii) the Debtors' failure to deliver a Back Up Bidder Notice on or
15 before November 20, 2017. If the Debtors deliver a Back Up Bidder Notice to PIP on or before
16 November 20, 2017, the PIP Deposit shall be applied to the Back Up Purchase Price to be paid
17 by PIP, forfeited to the Debtors as liquidated damages, or returned to PIP, in accordance with the
18 provisions of Articles II and XI of the PIP APA, provided, however, that the PIP APA shall be
19 deemed modified to provide that the "Outside Closing Date" shall mean the date which is
20 fourteen (14) business days following PIP's receipt of the Backup Bidder Notice.

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24 29. Nothing in this Sale Order shall be construed to impair or limit in any way the rights
25 of the OCEH and the OCUC granted in the Final DIP Order: ~~(I) Authorizing The Debtors To (A)~~
26 ~~Obtain Postpetition Financing Pursuant To 11 U.S.C. §§ 105, 361, 362 And 364, And (B) Utilize~~
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~~Cash Collateral Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; (II) Granting Adequate Protection Pursuant To 11 U.S.C. §§ 361, 362, 363 And 364; And (III) Granting Related Relief.~~

30. The Debtors (including any successor in interest) and BBI shall make reasonable efforts to retain and preserve all books, records, emails, and other documents relating to the Debtors' business prior to the filing of the Bankruptcy Cases and shall provide the Securities and Exchange Commission ("SEC") with reasonable access to all such documents during normal business hours following receipt of not less than seventy-two (72) hours prior written notice from the SEC. No party shall destroy or otherwise abandon any such documents or records without providing the other party and the SEC at least 60 days' prior written notice of its intent to abandon or destroy such materials, and a reasonable opportunity to obtain possession thereof.

31. In accordance with Section 8.4 of the APA, after the Closing, the Debtors are authorized to change their names.

32. Upon the entry of this Sale Order, the Debtors are authorized and instructed to return and deliver to Radians the \$1,000,000 deposit previously made by Radians under the Radians APA within one (1) business day of the entry of ~~the~~this Sale Order.

33. Following the date of entry of this Sale Order, the Debtors and BBI are authorized to make immaterial changes to the APA without the need for any further of the Court provided that all such changes have been approved in writing by the Debtors, BBI, the OCEH and the OCUC. Any other changes to this Sale Order would require a further order of the Court.

Document comparison by Workshare Professional on Friday, November 03, 2017
7:58:47 AM

Input:	
Document 1 ID	file://C:\Users\kjm\Desktop\Sale Order BBI v4 Clean by Debtors.doc
Description	Sale Order BBI v4 Clean by Debtors
Document 2 ID	file://C:\Users\kjm\Desktop\Sale Order BBI v8 Clean by Debtors.doc
Description	Sale Order BBI v8 Clean by Debtors
Rendering set	standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	18
Deletions	8
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	28

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled (in summary) **NOTICE REGARDING PROPOSED SALE ORDER** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 3, 2017**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Shiva D Beck sbeck@gardere.com, jcharrison@gardere.com
- Ron Bender rb@lnbyb.com
- Cathrine M Castaldi ccastaldi@brownrudnick.com
- Russell Clementson russell.clementson@usdoj.gov
- Aaron S Craig acraig@kslaw.com, lperry@kslaw.com
- Matthew A Gold courts@argopartners.net
- Monica Y Kim myk@lnbrb.com, myk@ecf.inforruptcy.com
- Krikor J Meshefejian kjm@lnbrb.com
- Tania M Moyron tania.moyron@dentons.com, chris.omeara@dentons.com
- S Margaux Ross margaux.ross@usdoj.gov
- United States Trustee (SV) ustpreion16.wh.ecf@usdoj.gov
- Sharon Z. Weiss sharon.weiss@bryancave.com, raul.morales@bryancave.com

2. SERVED BY UNITED STATES MAIL: On **November 3, 2017**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **November 3, 2017**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served via Attorney Service

Hon. Martin R. Barash
United States Bankruptcy Court
21041 Burbank Boulevard, Suite 342
Woodland Hills, CA 91367

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

November 3, 2017

Krikor J. Meshefejian

/s/ Krikor J. Meshefejian

Date

Type Name

Signature